

Memo

To: Wilson Parker

From: Carmen Canales, Chief Human Resources Officer

Date: February 24, 2016

Re: Dependent Audit

Wake Forest University has successfully completed an audit, which reviewed the eligibility for coverage on WFU benefits plans of more than 2,400 dependents, representing approximately 1,100 faculty and staff members. As a result of the audit findings, 38 dependents were removed, effective January 31, 2016, as they were either ineligible for coverage (5), removed due to insufficient documentation (10), or did not respond to the audit (23). Multiple attempts were made to reach impacted faculty and staff members, by mail, email, and phone, at both home and work.

The removed dependents incurred nearly \$335,000 in health claims during the past three years (FY14: \$105K; FY15: \$112K; FY16 ~\$118K), as compared to the audit cost of less than \$30,000.

Continuation of coverage, at full premium cost, was offered for all dependents who were removed from the plans. Since the audit, two faculty or staff members have provided documents verifying their eligible dependents, and will be allowed to continue coverage on a post-tax basis, through FY16. WFU faculty and staff are invited to participate in the next annual benefits enrollment process in May 2016, and elect coverage for themselves and eligible dependents, effective July 1, 2016.